

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

CHASE CORPORATION,)
)
)
Plaintiff,)
)
)
v.) 1:24CV351
)
)
QUINT BAREFOOT and)
R&J REPACKAGING, LLC,)
)
)
Defendants.)

ORDER

On February 27, 2025, the Memorandum Opinion and Recommendation of the United States Magistrate Judge was filed and notice was served on the parties in accordance with 28 U.S.C. § 636(b). Defendants Quint Barefoot and R&J Repackaging, LLC objected to the Recommendation. (Docs. 31, 32.)

Among the objections are those challenging the scope of the non-competition agreement Barefoot executed with Plaintiff Chase Corporation. A non-competition covenant is enforceable in North Carolina if it is "(1) in writing; (2) reasonable as to the terms, time, and territory; (3) made a part of the employment contract; (4) based on valuable consideration; and (5) not against public policy." Wells Fargo Ins. Servs. USA, Inc. v. Link, 827 S.E.2d 458, 466 (N.C. 2019) (quoting Triangle Leasing Co. v. McMahon, 393 S.E.2d 854, 857 (1990)) (alterations adopted). As to the specific challenges raised as to some of these elements, including those as

to scope and territory, resolution may depend, as the Recommendation notes, on an evidentiary showing. This action is at the pleadings stage. Thus, in adopting the Recommendation, the court renders no final conclusion as to the enforceability of the non-competition agreement.

Having carefully reviewed the portions of the Magistrate Judge's report to which objection was made and having made a *de novo* determination, the court finds that the objections do not change the substance of the Magistrate Judge's Recommendation, and the court therefore adopts the Recommendation.

IT IS THEREFORE ORDERED that Defendant Barefoot's motion (Doc. 12) is GRANTED solely as to Plaintiff's claims against him for conversion (claim 4) and civil conspiracy (claim 6), but is otherwise DENIED, as further set out in the Recommendation.

IT IS FURTHER ORDERED that Defendant R&J's motion (Doc. 14) is GRANTED solely as to Plaintiff's claims against it for civil conspiracy (claim 6) and unjust enrichment (claim 7), but is otherwise DENIED, as further set out in the Recommendation.

/s/ Thomas D. Schroeder
United States District Judge

March 31, 2025